

GUIDELINES

REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION PROGRAM

Fiscal Year 2013

- 1. Overview** – The Regional Economic Development Organization (REDO) Program was created under [Chapter 240 of the Acts of 2010](#) to provide a consistent and efficient response to businesses seeking assistance from the Commonwealth of Massachusetts. This program represents a partnership between Regional Economic Development Organizations across the Commonwealth and the Massachusetts Office of Business Development (MOBD) to establish a plan for business development, which supports regionally based efforts to help existing businesses grow to scale and to attract new business to the State.

The Massachusetts Office of Business Development can award up to 12 contracts for regional business development services. In order to be eligible, an applicant must demonstrate compliance with the following:

- Operate regionally and its service area or membership includes more than 10 or more contiguous municipalities and demonstrates a comprehensive vision for the region;
- Comply with the governance structure and standards established by the Massachusetts Office of Business Development;
- Engage primarily in activities intended to promote job and business retention, creation and attraction across all industry sectors within its identified region;
- Maintain a history of collaboration with the area business community, local officials, economic development organizations, higher education institutions, and other public and private organizations within the identified region;
- Receive or has commitments to receive substantial financial and in kind support from private sources or member municipalities; and
- Provide services to the entire region identified in the application.

Under a contract for business development services, a REDO will:

- Act as the primary contact for businesses seeking assistance from state or local governments, including those seeking to locate within the region or expand existing operations;
- Identify public funding sources for business activity and provide assistance in accessing public tax incentive programs;
- Identify potential sites for business development and maintain an inventory of key development parcels;
- Market the identified region in coordination with the Massachusetts Marketing Partnership (MMP) and in compliance with the marketing materials developed by the partnership;

- Furnish advice and assistance to businesses and industrial prospects which may locate in the region, existing businesses and industries and persons seeking to establish new businesses or industries and engage in related activities
- Establish and maintain a network of public and private expertise related to regional assets, industry clusters, workforce and education opportunities and public tax and regulatory incentive and capital access programs
- Partner with the MOBD representative in region and representatives of quasi-public agencies and authorities engaged in economic development activities to exchange information and jointly provide direct consultation with businesses seeking to expand or locate to the region;
- Act as the primary regional contact for a business seeking state assistance and incentives in a relocating;
- In partnership with the MOBD, assist member municipalities with economic development efforts related to business attraction and retention and with access to state economic development programs; and
- Submit an annual report to MOBD on the business development activities conducted under the contract.

2. Operational Requirements

- **Regional Leadership** – The REDO program will maintain a leadership structure that includes a broad representation of public/private stakeholders actively involved in creating a culture of sustainable economic growth in a defined region. The program will consistently demonstrate effective representation of and participation with local government, businesses, non-profit organizations, academia and economic development professionals in planning and workforce development.
- **Compliance** – REDO must maintain eligibility standards and meet the service requirements as outlined under the Act. This includes, but is not limited to providing an annual report to MOBD that includes the following information:
 1. A summary of the preceding year's program activities, objectives and accomplishments;
 2. A description of how the programs and marketing strategy conducted under the contract align with the Commonwealth's overall economic development strategic plan;
 3. An analysis of prospective business expansion resulting from REDOs promotional activities;

4. An analysis of job impact resulting from REDOs program activities funded by the REDO Program; and
5. Summary of efforts to obtain funds from local, private and federal sources.

REDOs will utilize the electronic file format provided by MOBD and submit reports by due dates established. REDOs will notify MOBD of any change within their structure that impacts any of the above mentioned requirements to determine the action required. REDO also agrees to a biennial audit and examination of audited financial statements to be performed by the auditor of the Commonwealth of Massachusetts.

In addition, REDOs must provide MOBD with a basic, monthly spreadsheet regarding any company that is seeking to expand or locate to Massachusetts (format provided by MOBD). This information will be the basis for status reports throughout the year – all information will be shared and the source will be clearly identified.

MOBD serves as the umbrella organization for all business activity on behalf of the state. It will not take the lead on business development projects, but it will be available for businesses to assess their needs and refer them to the experts in the appropriate organizations.

MOBD will collect the data and, then

- (1) Upload it into its database each form it receives;
- (2) Notify MOBD Regional Director of information in database; and,
- (3) Maintain the database to serve as a “one-stop” resource for the Governor’s Administration seeking information on businesses that are working with the state and regional economic development partners on business development.

REDOs under an alliance can submit separately and MOBD will combine the report to represent all activity under the alliance.

- **Communication** – MOBD will coordinate activity among and between REDOs and facilitate communication sessions throughout the year. All REDOs must attend at least two meetings per year hosted by MOBD. REDOs and representatives from MOBD must meet regularly in the region ***(no less than quarterly)***.

MOBD will ensure that the REDO is current on all services and resources on a timely basis. This includes information from the agencies and programs within the Executive Office of Housing and Economic Development (EOHED) as well as agencies under the Office of Performance Management and Oversight (OPMO). All REDOs and MOBD will keep the lines of communication open and immediately escalate for resolution any issue that may have a substantive impact on the region. All REDOs will communicate to MOBD any potential conflict of interest associated with the work performed under the contract and will withdraw from participation prior to engagement.

- **Performance Management** – All REDOs will be evaluated based on the programs, activities and objectives included in the application, the annual report submitted at fiscal year-end, and reports generated by MOBD Salesforce Database Management System. See Compliance section for details of reporting requirements.

3. Annual Notification of REDO Program Availability– MOBD coordinates a comprehensive notification process once availability of funds is confirmed:

- Posted on [Comm-PASS](#) – Commonwealth’s procurement access solicitation system
- Posted on [Executive Office of Housing and Economic Development](#)
- Posted on [Massachusetts Office of Business Development](#)
- Notification to all agencies under the [Office of Performance Management and Oversight](#) and posted on website
- MOBD Regional Director Economic Development Distribution e-Mail Announcement
- Notification to and posting on [Massachusetts Municipal Association](#)
- Notification to and posting on [Massachusetts Association of Chamber of Commerce Executives](#)
- Notification to and posting on [Massachusetts Economic Development Council](#)

All notifications, point of contact information, specifics on application due date and application itself are housed on the MOBD website.

4. REDO Application Assessment – Each application is reviewed by a minimum of three reviewers. Training is conducted for reviewers prior to the review period. Reviewers are given score sheets to assess each applicant.

A panel reviews the score sheets for consistency and variations. Outliers are identified, and additional analysis is completed before scores are finalized. An outlier refers to any score that is greater than 11 points higher or lower than the middle score(s). The panel also examines any overlapping communities (*covered by more than one REDO*) to determine impact and strategy.

Scores are applied using formula below:

- The applicant can score up to 30 points on **Demographics**
- The applicant can score up to 50 on **Strategy**
- The applicant can score up to 20 points **Key Components**

DEMOGRAPHIC SCORE – DEMOGRAPHICS ARE SPLIT INTO 3 SECTIONS.

- *Workforce:* 15 points
- *Population:* 9 points
- *Establishments:* 6 points

- Each applicant covers a percentage of the states' workforce, population, and establishments. Each applicant will be awarded points based upon the following scale:

State Percentage	POINTS AWARDED		
	Workforce	Population	Establishments
> 10%	15	9	6
8 – 10%	13	8	5
6 – 8 %	11	7	4
4 – 6 %	9	6	3
2 – 4%	7	5	2
0 – 2%	5	4	1

- Demographic data for all applicants are calculated using the following sources:

Population data: <http://www.sec.state.ma.us/census/>

Workforce and Establishment data: <http://lmi2.detma.org/lmi/town202data.asp>

STRATEGIC SCORE – ALIGNMENT WITH THE ECONOMIC DEVELOPMENT POLICY & PLAN

- Building Talent
- Innovation Economy
- Empowering Regions
- Ease of Doing Business
- Improving Cost Competitiveness

KEY COMPONENT SCORE

- Additional information provided by applicant that demonstrates significant economic impact
- Gateway City Initiatives
- Inventory of key development parcels and current list of truly “development ready” sites
- Optimum regional coverage – ability to meet with businesses in region and provide additional assistance as required

Once the assessment is complete, the panel presents its recommendation to the Secretary of Housing and Economic Development for review. Once approved, awards are announced and contracts are sent to awardees. Communication program for awards is listed below:

- Press Release
- Local Press Coverage
- Websites
 - [Executive Office Of Housing and Economic Development](#)
 - [Choosing to Compete in the 21st Century](#)
 - [Massachusetts Office of Business Development](#)
 - [Office of Performance Management and Oversight](#)

- Legislature notification via EOHED Legislative Director
- Notification to 18 agencies under the Office of Performance Management and Oversight
- MOBD Regional Directors – Regional E-mail Distribution Notification
- Notification to [Massachusetts Municipal Association](#)
- Notification to [Massachusetts Association of Chamber of Commerce Executives](#)
- Notification to [Massachusetts Economic Development Council](#)

In addition, MOBD meets with each REDO within 45 days of announcement to review Fiscal Year Partnership Plan.

Organizations that submitted an application but did not receive an award under the REDO program are notified in writing and can request a debriefing session. Request should be made via e-mail to Camille.Passatempo@state.ma.us.

- 5. Annual Report** – The due date of the Annual Report is tied to the REDO’s final payment and are due no later than the last business day following the close of the fiscal year. Requirements of the Annual Report are included in Section 2 of this document under Compliance.

The review process is comprised of three steps:

- **Step One** –Annual Reports are reviewed by a team of no less than two reviewers who submit their review of the Annual Report to MOBD’s Director of Operations. S/he will also run reports from the Salesforce Database to assess REDO results and pipeline.
- **Step Two** – The Director of Operations reviews both reviewer’s report in detail consulting with reviewers and Regional Directors. S/he forwards the recommendation to the Executive Director of MOBD or the Director of Strategic Initiatives.
- **Step Three** – The final payment decision is authorized by the Executive Director of MOBD or the Director of Strategic Initiatives.

If a REDO provides an Annual Report that does not meet the requirements of the program, final payment will be placed on hold. The matter will be elevated to a review panel to determine the appropriate course of action for final payment as well as for the continued participation in the program.

- 6. Quarterly Reports** – MOBD will run REDO reports on Salesforce on the following dates:

12/31/12 3/31/13 6/30/13

These reports will provide an update on the following:

- **Pipeline** – analysis of prospective business expansion resulting from REDO’s activities
- **Jobs** – analysis of job impact resulting from REDO’s activities

7. Underserved Municipalities

If MOBD determines that no organization meets the requirements or a region is not served by any eligible REDO, MOBD may either rebid the contract or serve as the primary coordinator for business development initiatives in that region.

8. Contract Cancellation

MOBD may cancel any contract should the regional economic development organization fail to provide the necessary regional services required.

9. Review Teams and Senior Panel Advisors

Team members and advisors for the REDO Program are comprised of staff from MOBD and EOHED.

10. Contacts and Information

Additional information on the REDO program is available at www.mass.gov/mobd.